Vaidyanathan Revival Package

†540. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Rajasthan has sought an amount of Rs. 110 crore as 25 per cent share of the Central Government under the Vaidyanathan Revival Package of short term cooperative credit structure; and

(b) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. The Government of Rajasthan had initially sought an amount of Rs. 110 crore as 25% share of the Central Government towards recapitalisation of eligible Primary Agricultural Cooperative Societies (PACS) affiliated to nine District Central Cooperative Banks (DCCBs), in the State of Rajasthan, under the Revival Package for Short Term Cooperative Credit Structure (STCCS).

The Government of Rajasthan was, however, advised as per the decision of the National Implementation and Monitoring Committee (NIMC) to re-work out the claim after setting aside the arrears of Provident Fund and Pension dues payable to PACS staff, which as per the Government of India decision, is required to be borne by the Sate Government. Further, the State Government is required to first release its own share towards recapitalisation as per the provisions of the Revival Package and also clearly establish its intact and commitment to bring about reforms in the Cooperative Law. However, the State Government has not amended the Cooperative Societies Act of the State till date.

Appointment of Private Consultants for PPP projects

541. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has decided to appoint private consultants to help development/ execution of Public Private Partnership (PPP) projects;

(b) if so, the details thereof;

(c) whether in addition to Rs. 100 crore corpus i.e. India Infrastructure Project Development, some other funding source is also proposed to be worked out to address the problem of funds for execution of these projects; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b) Does not arise.

(c) and (d) In addition to India Infrastructure Project Development Fund, Government of India has an ongoing facility named "Planning Commission Project Preparation Facility" to provide grant in aid for financing the cost of engaging professional consultants for preparation of Detailed Project Reports specifically for projects proposed to be funded from external and institutional sources in the form of technical assistance to Project Authorities for formulation

†Original notice of the question was received in Hindi.

and award of Public Private Partnership projects. Assistance for engaging technical, financial and legal experts/consultants/firms would normally not exceed Rs. 25 lakh per project.

Supervisory role of SEBI

542. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware that malpractice and lack of supervisory role by Securities and Exchange Board of India (SEBI) on the stock market has recently led to an unprecedented crash which had ruined several small investors;

(b) if so, the details thereof including the number of small investors who have been adversely affected as a result thereof; and

(c) what is Government's reaction thereon and the remedial steps, Government proposes to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No evidence of malpractice and lack of supervisory role of SEBI on stock market leading to an unprecedented crash has come to the notice of Government. The Sensex, however, returned 34.47% during this fiscal on a point to point basis from end of March, 2007 to end of February, 2008. Nifty returned 36.68% during the same period. It may be noted that equity is a risky instrument and there is no certainty of returns from investments in such instruments. The prices of such instruments move up or down depending on changing perceptions of the investors — domestic and overseas, retail and institutional — about the economy, the sector and the company. This perception is influenced by many factors including the macro-economic environment, the growth potential of the economy, policy credibility of the Government, corporate performance, domestic and international events and market sentiments.

(b) Does not arise in view of answer to part (a) above.

(c) The authorities do not try to manage or control prices. They endeavour to build systems and practices and deepen and broaden markets which can withstand changes in prices. They have put in place systems and practices to promote a safe, transparent and efficient market and to protect market integrity. The systems instituted include advanced risk management mechanisms comprising on-line monitoring and surveillance, various limits on positions, margin requirements, circuit filters, etc. The systems and practices are continuously reviewed continuously and modified to meet emerging needs. Measures taken to broden and deepen markets include: screen based trading system, dematerialization of securities, corporatization and demutualization of exchanges, settlement through clearing corporation, trading in of derivatives, etc. Besides, SEBI maintains a constant vigil in the market, and in case of any abnormality, takes appropriate action against the concerned entities.

Mediclaim facilities for policy holders of Ayurvedic, Unani and Homoeopathic Systems of Medicine

†543. SHRI SATYAVRAT CHATURVEDI:
SHRI MOTILAL VORA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that apart from Allopathic, Ayurvedic, Unani and Homoeopathic Systems in India are also recognized by Government;

†Original notice of the question was received in Hindi.